

**MINUTES OF THE
SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE**

Room 30 House Building, State Capitol Complex
Thursday, January 31, 2013

MEMBERS PRESENT: Sen. Allen M. Christensen, Co-Chair
 Rep. Ronda Rudd Menlove, Co-Chair
 Rep. Daniel McCay, House Vice Chair
 Sen. Deidre M. Henderson
 Sen. Peter C. Knudson
 Pres. Wayne L. Niederhauser
 Sen. Luz Robles
 Sen. Brian E. Shiozawa
 Sen. Evan J. Vickers
 Sen. Todd Weiler
 Rep. Rebecca Chavez-Houck
 Rep. Tim Cosgrove
 Rep. Brad L. Dee
 Rep. Paul Ray
 Rep. Edward H. Redd
 Rep. Marc K. Roberts
 Rep. Earl D. Tanner

MEMBERS ABSENT: Sen. Brian E Shiozawa
 Sen Todd Weiler
 Rep. Tim Cosgrove
 Rep. Brad L. Dee

STAFF PRESENT: Mr. Russell Frandsen, Fiscal Analyst
 Mr. Stephen Jardine, Fiscal Analyst
 Mr. Gary Ricks, Fiscal Analyst
 Ms. Paula Winter, Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at <http://le.utah.gov> A list of visitors and a copy of handouts are filed with the committee minutes.

Co-Chair Christensen called the meeting to order at 8:14 a.m.

There were no minutes to approve and no public input.

Mr. Jardine clarified how and what the information in the binder is. He emphasized that the committee only needs to be aware of the motions and the wish lists which are organized by department both ongoing and one time money. The committee's job is to vote on a wish list. If something is not there that is important, a motion could be made to add it. The work of the committee involves the two documents mentioned.

Sen. Weiler voiced a request for staff to make the committee aware of which items would be covered daily.

Mr. Jardine referred to the motion sheet and directed everyone there and further clarified how to interpret it. He suggested looking at the recommendation, being aware of fees and looking at intent language which is expressing your intent relative to the budget items.

Mr. Frandsen and Sen. Weiler shared what would be desired to help identify what will be covered during the meeting. Mr. Frandsen continued to clarify how to get something funded.

Mr. Jardine identified items 4, 5, and 22 as items to be covered in the meeting today. This involves the DHS ongoing funding wish list. He referred to document 4Aa. This is an overall document. The pattern is similar on all of them and includes a summary section and legislative action items. The budget recommended is \$585,713,300 and is tied to the chart of the FY 2014 number. The recommendation is to approve the budget. Adoption of fees FMAP rate change and federal funds are all involved in this amount and need to be considered. The fees document was covered next. In accordance with statute the agency must submit its fee schedule to the legislature for its approval annually. He continued to go over this document and specific items on it. The analysts recommend these be adopted.

Sen. Christensen mentioned that HS watches the fees and asked that occasionally we reduce them recognizing that the fees are removed from us, but listen to the recommendations proposed by Mr. DePaulis and his agency.

Rep. Redd asked for clarification for those who are new of the collection fee for child support and who it is charged to and what it pays for.

Mr. Jardine explained about custodial and non-custodial parent and that the fees are charged to the payer for not paying support thereby involving the state to come in and make those collections, thus a fee is charged to them and is dependent on the parties involved.

Rep. Ray and Mr. Jardine had a discussion about fees charged for photo shoots which are charged for and that this could be an example of something you may be uncomfortable with and may want to add to a list to discuss.

Mr. Jardine continued on the contract provider COLAs in the summary area and progressed through and suggested looking at the list on the back for further information.

Rep. Ray asked how long it had been since there was an increase for COLA providers and Mr. Jardine replied it was prior to Oct. 2008. Rep. Ray asked if there was a concern about losing providers based on what the state is paying. The plan is for all the groups to come testify and Mr. Jardine will follow up on that. All of them were reduced because of the budget reductions. There is a list of providers, sharepoint 4Ac or the contract Provider Brief for the 31st.

Sen. Robles wanted to know if reduction of access to HS and Juvenile Services could open up the possibility of a lawsuit to the state. Mr. Jardine stated that this increase is not for medicaid. Sen. Robles asked if this applied to HS. Mr. Jardine said that as policy makers the committee is always interested in access and the services are provided by contract groups so if statute is put in

then it is a policy issue.

Sen. Christensen discussed the fact that anyone can sue at any time. Failure to provide access becomes a class action lawsuit against the state and they have been filed and that inadequate access is grounds for successful filing of a lawsuit.

Rep. Redd, Mr. Jardine, and Sen Christensen discussed the one percent COLA increase that was suggested but not recommended by the governor and Mr. Jardine reminded that this increase across the board is considered not accepted.

Mr. Jardine proceeded to the brief Human Services Follow-up on Previous Intent Language in sharepoint 4Ad. This covers the intent language that came out of the brief in 2012 and is a follow up to it. There is one piece of recommended intent language. The significance of this is the statute that approved the intent language requires it be for one time items. Mr. Jardine continued going through the brief and advised that 7 of the pieces of intent language required reports. Six of these had to do with non-lapsing funds. He gave an example on page 4 under Services for people with disabilities HB 2 item 98 and how a legislator was reviewing this and had concern about it and the intent language was changed. He moved onto the brief which is Human Services Related Revenue Options in sharepoint 4Ae. The recommendation again is in the summary. The DHS has numerous revenue sources but not all is spent in a given year. There are varying reasons for that occurrence. This brief summarizes three main sources of unused funds accruing as of July 1, 2012. These are called non-lapsing funds and this brief outlines the strategy for the use of the funds. He suggested looking at Appendix A and B. The fiscal analysts made a recommendation for this. There are four options that the legislature may take. Turn to Sources chart for information on funds available.

Sen. Christensen asked Mr. DePaulis if early intervention would be a priority where extra funds might be used or would the money be better used somewhere else.

Palmer DePaulis Director of Human Services responded that the department has tried to build reserves of one time sources especially in DCFS to accommodate losses. The non-lapsing funds would be a cushion since the federal budget cycle is different than ours. The early intervention for children was not recommended in the governor's budget so he could not advocate for it.

Mr. Jardine used an example on the bottom of page 2 with excess restricted funds and victims of domestic violence. This tells how the restricted fund balance will be used. The rest of the document is supporting information. On page 4 the suggestion from the analysts is that the cushion be used for early intervention. He recommended making the decision from that information.

Sen. Christensen pointed out the difference between what might be an over inflated budget vs. efficiencies utilized to save money.

Sen. Henderson wanted to clarify about whether \$1 million to be transferred is one time or ongoing and Mr. Jardine said it is one time funding.

Mr. Jardine moved on to the DHS Executive Director Operations. This is a line item piece.

It is 4Af in sharepoint. He looked again at the summary and said the recommended budget is almost the same as the base budget. The information can be viewed on the brief. This line item also includes the Utah Developmental Disabilities Council which operates independently and is a 100 percent government entity. Statutory references are found in the document for further review. There are items requested from you on the wish list. You will hear about all of those items. The examples of licensing and dedicated credits were given.

Rep Redd asked for clarification of dedicated credits and Mr. Jardine responded that it is collections from an outside entity.

Mr. Jardine explained that an issue brought up by his boss was licensing. Refer to sharepoint 4Af1 to see the information.

Rep. Menlove and Mr. Jardine had a conversation about the excess funds of \$22 thousand that could be used within that agency and Mr. Jardine will prepare a motion for that purpose.

Mr. Jardine continued with the next brief, line item 4Ag in sharepoint, the Executive Director Performance Operations. This involves the performance measures used and requires no action but is background information. All the information about how performance is measured is included in the brief. Looking at the brief it shows an increase in time to issue a license and the department believes it is related to a caseload issue and corresponds to the request made.

Sen. Christensen, Mr. DePaulis and Mr. Jardine conversed about the differences in difficulty for licensing and perhaps flexibility needed in the process. Mr. DePaulis responded that the department is looking at those items and is in the process of getting some good information to discuss. Sen. Christensen asked if that would take intent language or legislative action. Mr. DePaulis responded that the money collected does not go to the agency but to the general fund. It is technically correct but additional funds could be collected if corresponding general funds were requested. The possibility of a statute change was discussed.

Rep. Menlove inquired about the fact that there are areas where there are no targets.

Mr DePaulis A DD council member Frank Long spoke about the goal the department had to create a transportation program in the Uintah Basin. They did not set up numbers to be reached but rather the system to be established. That goal was accomplished but the number of people helped is not recorded.

Rep. Menlove encouraged the department to set up targets so progress could be measured and suggested that assistance could be given. If funds are being requested, we need to have information as to progress made.

Sen. Christensen welcomed all the students and explained the job of the committee briefly.

Mr. Jardine moved on to the next document which is Department of Human Services Follow-up on In Depth Budget Review, sharepoint 4Ah. This gives background of the budget review which included 15 major recommendations and 14 additional recommendations. Intent language was

passed to have Human Services report back. The information is contained in the document. Mr. Jardine went over the information examples and descriptions of actions taken. On page 2 item #2 housing items for workers is addressed. On page 3 item #7 has to do with the Developmental Center space and farmland available. That information for the plan should be shared this month. DFCM assists the OCR and had lease space in the HK Towers. He explained about the status of the department and the solution which is contained in the brief as to the cost and occupation of the space. He next covered performance measures and explained that the recommendation was to use best performance measures. Mr. Jardine requested that everyone look at page 4 item #13, Services for People with Disabilities and how the department responded to the criticisms. The report contains the information. Looking at this report is evidence that this department knows the data. The last item covered is Required Reports by Statute. This is for information and does not require action.

Sen. Christensen informed Mr. DePaulis that he is currently working on a bill in the Health Department to try and eliminate several reports required by the Health Department and wanted to know if the reports are functional and if they are beneficial. He requested to know if there is a purpose to them and could the same be done for the Department of Human Services.

Rep. Menlove put forth a motion to adjourn at 9:50 a.m.

Minutes were reported by Ms. Paula Winter, Senate Secretary

Sen. Allen M. Christensen, Co-Chair

Rep. Ronda Rudd Menlove, Co-Chair